

## **Assembly Bill No. 763**

### **CHAPTER 122**

An act to amend Section 19601.2 of, and to add Section 19596.21 to, the Business and Professions Code, relating to horse racing, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor August 5, 2009. Filed with  
Secretary of State August 6, 2009.]

#### **LEGISLATIVE COUNSEL'S DIGEST**

**AB 763, Chesbro. Horse racing: Humboldt County Fair.**

(1) Existing law provides for the operation of live horse racing by associations and fairs, and for wagering thereon, and for the operation of satellite wagering facilities, subject to regulation and oversight by the California Horse Racing Board, as specified.

This bill would, during calendar periods when a thoroughbred association or fair in the northern zone and the Humboldt County Fair simultaneously conduct live race meetings, permit the Humboldt County Fair and a thoroughbred association in the southern zone when conducting a live race meeting to accept wagers on the result of not more than 8 out-of-state thoroughbred horse races in addition to those already authorized in law, if specified conditions are met.

(2) Existing law provides that when the San Mateo County Fair, or any other fair or thoroughbred association, and the Humboldt County Fair simultaneously conduct race meetings in the northern zone, the San Mateo County Fair, or other fair or thoroughbred association, is authorized to distribute the signal and accept wagers on out-of-zone, out-of-state, and out-of-country races if it complies with specified conditions. Existing law requires, for the period in which both fairs are conducting race meetings, the San Mateo County Fair, or other fair or thoroughbred association, to distribute to the Humboldt County Fair, from and to the extent of license fees generated from the total handle, 0.75% of the out-of-zone, out-of-state, and out-of-country handle, and requires the San Mateo County Fair, or other fair or thoroughbred association, to distribute the remaining amount by retaining 50% and distributing it equally as commissions and purses with the other 50% being paid to the state as a license fee. Existing law provides similar provisions for the Fresno District Fair as are applied to the Humboldt County Fair.

This bill would delete those provisions relating to the Fresno District Fair, and, with respect to the provisions relating to the distribution of the signal and acceptance of wagers, would delete the reference to the San Mateo County Fair, leaving those other provisions applicable if any other fair or thoroughbred association and the Humboldt County Fair simultaneously

conduct race meetings. The bill, with respect to the provisions relating to the distribution to the Humboldt County Fair, would also delete the reference to the San Mateo County Fair, would require that the distribution to the Humboldt County Fair shall be from and to the extent of commissions and purses generated from the total handle, and would delete obsolete language pertaining to the distribution of excess license fees.

(3) This bill would declare that it is to take effect immediately as an urgency statute.

*The people of the State of California do enact as follows:*

SECTION 1. Section 19596.21 is added to the Business and Professions Code, to read:

19596.21. (a) In addition to the authorizations to accept wagers on out-of-state and out-of-country races pursuant to Sections 19596.2 and 19596.3 and in any other provision of law, during calendar periods when a thoroughbred association or another fair in the northern zone and the Humboldt County Fair simultaneously conduct live race meetings, the Humboldt County Fair and a thoroughbred association in the southern zone when conducting a live race meeting may accept wagers on days when live races are being run on the results of not more than eight out-of-state thoroughbred horse races, if all of the following conditions are met:

(1) The authorization complies with federal laws, including, but not limited to, Chapter 57 (commencing with Section 3001) of Title 15 of the United States Code.

(2) The Humboldt County Fair conducts at least six live races.

(3) The Humboldt County Fair and thoroughbred association in the southern zone shall accept these wagers only on out-of-state thoroughbred races that commence before 4:30 p.m., Pacific standard time.

(b) The Humboldt County Fair may contract with the thoroughbred association or fair in the southern zone to distribute the signal statewide on its behalf.

(c) Any thoroughbred association or fair accepting wagers pursuant to this section shall conduct the wagering in accordance with the applicable provisions of Sections 19601, 19616, 19616.1, and 19616.2, except that subdivision (i) of Section 19601 shall not be applicable for the purpose of fulfilling the authorization described in this section.

SEC. 2. Section 19601.2 of the Business and Professions Code is amended to read:

19601.2. During calendar periods when any other fair or thoroughbred association and the Humboldt County Fair simultaneously conduct race meetings in the northern zone, the other fair or thoroughbred association shall be the association authorized to distribute the signal and accept wagers on out-of-zone, out-of-state, and out-of-country races if it complies with the conditions specified in subdivision (a) of Section 19601. The amounts deducted from these wagers shall be distributed as provided in Section

19601. Additionally, from, and to the extent of, commissions and purses generated from the total handle of the other fair or thoroughbred association during the overlap, the other fair or thoroughbred association shall distribute to the Humboldt County Fair, not less than seven days after the close of the racing meeting, an amount equal to 0.75 percent of the out-of-zone, out-of-state, and out-of-country handle.

SEC. 3. This act is an urgency statute necessary for the immediate preservation of the public peace, health, or safety within the meaning of Article IV of the Constitution and shall go into immediate effect. The facts constituting the necessity are:

In order to alleviate economic uncertainty for the Humboldt County Fair, preserve jobs, ensure that live horse racing continues in Humboldt County each year, and for this act to apply to the 2009 racing season, it is necessary that this act take effect immediately.